



NEWS UPDATE 12-18-2015

→ HOME Funding

“Today, Congress voted to enact the [Fiscal Year \(FY\) 2016 Omnibus Appropriations bill](#), including \$950 million in funding for the HOME program. The bill is expected to be signed by the President shortly.”

→ Proposed changes to Bond/Tax Credit Policies for 2016 – WSHFC

The WSHFC staff are proposing changes to the *Bond/Tax Credit Policies for 2016*.

For your review please follow the links below:

[Brief overview and summary of changes](#)

[Blackline version of Bond/Tax Credit Policies](#)

[Clean version of Bond/Tax Credit Policies](#)

Comments should be submitted to “AskUsMHCF@wshfc.org” no later than **Wed., January 13th, 2016 by 5 PM**.

HOLD the Date - Thursday January 7th, 2016 from 1:30-2:30 PM for a stakeholder meeting and webinar to be held at the Commission to discuss and review the changes- more information to follow!

A public hearing will be held at the WSHFC Commission meeting, January, 28th, before the Commissioners for consideration and action to follow.

→ Governor Inslee’s 2016 Supplemental Budget

Trimming Tax Breaks to Invest in Teachers Is a Good Start

Governor Jay Inslee’s proposed [supplemental budget](#) makes essential new investments in schools and mental health services. This budget is a good starting point for policymakers ahead of the 2016 legislative session. If paired with additional investments in Washington’s communities, families, and children, it would help create a stronger state economy.

His proposal would sensibly eliminate four wasteful tax breaks in order to increase first-year teachers’ salaries by \$4,300 per year and provide a 1 percent increase for more experienced teachers. It would also draw down some budget reserves and redirect funds to offset the costs of fighting the wildfires that impacted our state this year. The budget seeks new funding to improve mental health services provided in state hospitals. And it would preserve current funding for child care, schools, and other important public investments.

To boost teachers’ pay, the Governor proposes to generate just over \$100 million per year by eliminating four wasteful tax breaks, including sales tax exemptions for nonresident shoppers and for bottled water.

An important detail to understand as a backdrop for budget discussions is that although the recovering economy has enabled policymakers to increase funding for public priorities in recent years, many important needs remain unmet. What's more, policymakers remain under intense pressure from the State Supreme Court to increase funding for schools through the *McCleary* decision mandate.

Securing these needed investments will require bold reforms to a state tax system under which the wealthiest households pay a lower rate of their income in taxes than anyone else. The Governor should continue to push – and the Legislature should act on – his previous proposals for a capital gains tax and fees on carbon pollution to help fund improvements to basic education.

Building a solid economic foundation for all Washingtonians requires significant reinvestments in education, public transportation, and other needs. And that can't happen without significant reforms to the state's inequitable tax system.

Read more of our analysis on the Governor's budget on [our schmudget blog](#).
